

IN THE UNITED STATES DISTRICT COURT FOR THE  
MIDDLE DISTRICT OF ALABAMA

**GOFF GROUP, INC. et al.,**

**Plaintiffs,**

**V.**

Case No. CV 2006-00389-SRW

**PHOENIX-DURANGO, LLC, et al.,**

**Defendants.**

**v.**

**GOFF GROUP, INC.; JOHN W. GOFF;  
COMPANION PROPERTY &  
CASUALTY INSURANCE COMPANY;  
ARTHUR M. LEADINGHAM, JR.;  
ROBERT M. BOWICK; WILLIAM  
JOSEPH DUNCAN; UNITED STATES  
OF AMERICA; SUNTRUST BANK;  
ATKINSON, HASKINS, NELLIS,  
HOLEMAN, BRITTINGHAM; AAA  
GROUNDSKEEPERS; MBNA  
AMERICA BANK; GE CAPITAL  
CORPORATION; STATE OF  
ALABAMA; KEMMONS WILSON,  
INC.; MEADOW BROOK NORTH,  
LLC; WILLIS OF NORTH AMERICA;  
GREENWICH INSURANCE COMPANY  
XL SPECIALTY GROUP; STUART  
ALLAN & ASSOCIATES, INC.; and  
CAMERON M. HARRIS & CO., Inc.,**

### Counterclaim Defendants.

**ANSWER TO COUNTERCLAIM OF COUNTERCLAIM-PLAINTIFF, PHOENIX-DURANGO, LLC**

COME NOW, XL Specialty Insurance Company and Greenwich Insurance Company (hereinafter sometimes referred to as “XL and Greenwich”), counterclaim defendants in the above-styled action and as their answer to the counterclaim of Phoenix-Durango, LLC (hereinafter sometimes referred to as “Phoenix-Durango”) says as follows:

1. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 1 of Phoenix-Durango's Counterclaim, and therefore deny them.

2. Admitted.
3. Admitted.
4. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 4 of Phoenix-Durango's Counterclaim, and therefore deny them.
5. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 5 of Phoenix-Durango's Counterclaim, and therefore deny them.
6. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 6 of Phoenix-Durango's Counterclaim, and therefore deny them.
7. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 7 of Phoenix-Durango's Counterclaim, and therefore deny them.
8. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 8 of Phoenix-Durango's Counterclaim, and therefore deny them.
9. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 9 of Phoenix-Durango's Counterclaim, and therefore deny them.
10. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 10 of Phoenix-Durango's Counterclaim, and therefore deny them.
11. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 11 of Phoenix-Durango's Counterclaim, and therefore deny them.
12. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 12 of Phoenix-Durango's Counterclaim, and therefore deny them.
13. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 13 of Phoenix-Durango's Counterclaim, and therefore deny them.

14. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 14 of Phoenix-Durango's Counterclaim, and therefore deny them.
15. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 15 of Phoenix-Durango's Counterclaim, and therefore deny them.
16. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 16 of Phoenix-Durango's Counterclaim, and therefore deny them.
17. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 17 of Phoenix-Durango's Counterclaim, and therefore deny them.
18. XL and Greenwich admits they hold a judgment lien against Goff Group, LLC, but deny the remainder of the allegations contained in paragraph no. 18.
19. XL and Greenwich admits they hold a judgment lien against Goff Group, LLC, but deny the remainder of the allegations contained in paragraph no. 19.
20. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 20 of Phoenix-Durango's Counterclaim, and therefore deny them.
21. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 21 of Phoenix-Durango's Counterclaim, and therefore deny them.
22. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 22 of Phoenix-Durango's Counterclaim, and therefore deny them.
23. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 23 of Phoenix-Durango's Counterclaim, and therefore deny them.
24. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 24 of Phoenix-Durango's Counterclaim, and therefore deny them.
25. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 25 of Phoenix-Durango's Counterclaim, and therefore deny them.

26. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 26 of Phoenix-Durango's Counterclaim, and therefore deny them.

**FACTUAL BACKGROUND**

27. This paragraph simply realleges paragraphs 1 through 26 of the Counterclaim and therefore XL and Greenwich realleges their responses to paragraphs 1 through 26 as if set forth fully herein.
28. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 28 of Phoenix-Durango's Counterclaim, and therefore deny them.
29. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 29 of Phoenix-Durango's Counterclaim, and therefore deny them.
30. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 30 of Phoenix-Durango's Counterclaim, and therefore deny them.
31. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 31 of Phoenix-Durango's Counterclaim, and therefore deny them.
32. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 32 of Phoenix-Durango's Counterclaim, and therefore deny them.
33. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 33 of Phoenix-Durango's Counterclaim, and therefore deny them.
34. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 34 of Phoenix-Durango's Counterclaim, and therefore deny them.
35. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 35 of Phoenix-Durango's Counterclaim, and therefore deny them.

**COUNT ONE – JUDICIAL FORECLOSURE**

36. This paragraph simply realleges paragraphs 1 through 35 of the Counterclaim and therefore XL and Greenwich realleges their responses to paragraphs 1 through 35 as if set forth fully herein.
37. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 37 of Phoenix-Durango's Counterclaim, and therefore deny them.
38. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 38 of Phoenix-Durango's Counterclaim, and therefore deny them.

**COUNT TWO – BREACH OF CONTRACT**

39. This paragraph simply realleges paragraphs 1 through 38 of the Counterclaim and therefore XL and Greenwich realleges their responses to paragraphs 1 through 38 as if set forth fully herein.
40. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 40 of Phoenix-Durango's Counterclaim, and therefore deny them.
41. XL and Greenwich are without knowledge or information sufficient to form a belief as to the truthfulness of the allegations contained in paragraph no. 41 of Phoenix-Durango's Counterclaim, and therefore deny them.

XL and Greenwich hereby deny all allegations contained in the counterclaim which are not specifically admitted. XL and Greenwich reserve the right to amend its answer to the Counterclaim of Phoenix Durango, LLC.

**AFFIRMATIVE DEFENSES**

XL and Greenwich state the following affirmative defenses.

**FIRST DEFENSE**

The counterclaim fails to state a claim against XL and Greenwich for which relief can be granted.

**SECOND DEFENSE**

The claims stated on Phoenix Durango's Counterclaim are barred by the defenses of contributing negligence and assumption of the risk.

**THIRD DEFENSE**

XL and Greenwich plead the defenses of waiver, estoppel, laches and unclean hands.

**FOURTH DEFENSE**

XL and Greenwich plead the defenses of bankruptcy, release, res judicata, estoppel and waiver.

**FIFTH DEFENSE**

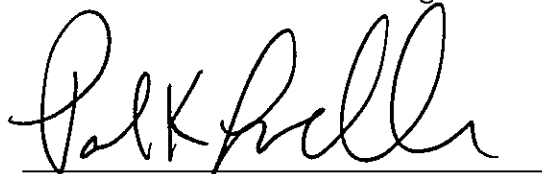
XL and Greenwich are the holders of a properly perfected judgment lien which is attached to the subject property and further claim that they are entitled to be paid from any sales proceeds realized as a result of the sale of the subject property whether through foreclosure or otherwise.

**SEVENTH DEFENSE**

XL and Greenwich are not indebted to Phoenix Durango and demand strict proof of all allegations of indebtedness and/or liability on the part of XL and Greenwich.

**EIGHTH DEFENSE**

XL and Greenwich reserve the right to plead additional defenses that arise during the course of this action.



Paul K. Lavelle  
Attorney for XL Specialty Insurance  
Company and Greenwich Insurance  
Company

**OF COUNSEL:**

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the answer has been served upon the following by using the CM/ECF system which will send notification of such filing to the below-named or by placing a copy of the same in the U.S. Mail, postage pre-paid on this the 28<sup>th</sup> day of JUNE 2006.

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A handwritten signature in black ink, appearing to read "Paul K. Hill", written in a cursive style.

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OF COUNSEL